

House Study Bill 68 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE
ON COMMERCE BILL BY
CHAIRPERSON COWNIE)

A BILL FOR

1 An Act relating to the regulation of pharmacy benefits
2 managers.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 510B.3, subsection 1, Code 2015, is
2 amended to read as follows:

3 1. The commissioner shall enforce the provisions of this
4 chapter. A pharmacy benefits manager is subject to regulation
5 by the commissioner pursuant to chapter 507B relating to
6 unfair insurance trade practices and chapter 510 relating to
7 third-party administrators in addition to the provisions of
8 this chapter.

9 Sec. 2. Section 510B.3, Code 2015, is amended by adding the
10 following new subsection:

11 NEW SUBSECTION. 3. Failure of a pharmacy benefits manager
12 to respond to inquiries from the commissioner in accordance
13 with an investigation to determine compliance with this chapter
14 shall result in revocation of the pharmacy benefits manager's
15 certification as a third-party administrator as provided in
16 section 510B.2.

17 EXPLANATION

18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.

20 This bill relates to the regulation of pharmacy benefits
21 managers. The bill provides that pharmacy benefits managers
22 are subject to regulation by the commissioner of insurance
23 pursuant to Code chapter 507B relating to unfair insurance
24 trade practices and Code chapter 510 relating to regulation of
25 third-party administrators, in addition to regulation under
26 Code chapter 510B relating to pharmacy benefits managers.

27 The bill also provides that failure of a pharmacy benefits
28 manager to respond to inquiries from the commissioner in
29 accordance with an investigation to determine compliance under
30 Code chapter 510B shall result in revocation of the pharmacy
31 benefits manager's required certification as a third-party
32 administrator.